

## Message Text

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53

ACTION XMB-04

INFO OCT-01 NEA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 /055 W

----- 037630

P 231430Z MAY 75

FM AMEMBASSY ALGIERS

TO SECSTATE WASHDC PRIORITY 2479

LIMITED OFFICIAL USE ALGIERS 1229

PASS EXIM FOR MORAN

E.O. 11652: N/A

TAGS: EFIN, AG

SUBJECT: SONATRACH VISIT TO EXIM - GAS PROJECTS

REF: (A) ALGIERS 1214 (B) ALGIERS 0998

1. SID AHMED GHOZALI, PRESIDENT OF SONATRACH AND R. SMARA, CHIEF OF DIVISION FINANCIAL BUREAU, WILL BE DEPARTING ALGIERS MAY 26 OR 27 FOR WASHINGTON. SMARA UNDERSTANDS APPOINTMENTS WITH EXIM ALREADY ARRANGED.

2. SMARA WILL HARD-CARRY FOR MORAN LATEST ANNUAL REPORTS FROM BNA, BEA AND HOPEFULLY 1974 REPORT OF SONATRACH WHICH IS ALMOST READY.

3. SMARA HANDLES GAS SIDE OF SONATRACH FINANCES, BUT PLEADED IGNORANCE TO PETROLEUM INTELLIGENCE WEEKLY ARTICLE OF MAY 12, 1975, PAGE 7, TO EFFECT DISTRIGAS AND EASCOGAS ARE CLOSE TO AGREEMENT ON GAS PURCHASES. SEPARATE SHORT-TERM CONTRACT, HIGHER PRICE OF \$1.50 PER MILLION BTU ARE CHANGES FROM EMBASSY REPORT ALGIERS 0998, PARAS 9-11. NOTICE ARTICLE STATES SKIKDA 5 & 6 ARE SLATED TO BE READY BY END-1977 WHICH MEANS PLANTS WILL

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BE COMPLETED IN RECORD 2 1/2 YEARS. EMBASSY STILL

BELIEVES 1979 IS MORE REALISTIC FIGURE.

4. NEITHER SMARA NOR EMBOFF HAD HEARD OF CHANGE IN  
BAD FUNCTIONS. WILL CONTINUE TO CHECK.

5. NEW RUMOR INVOLVING SONATRACH IS THAT THEY ARE  
SEEKING ADDITIONAL 200-300 MILLION LOANS IN ADDITION  
TO UBAF LOAN REPORTED ALGIERS 1214.

6. ECGD DECISION ON ALGIERS ACCORDING TO A NUMBER OF  
SOURCES IS THAT REGULAR COMMERCIAL LOANS UP TO 10  
MILLION POUNDS CAN STILL BE MADE, BUT THAT LARGER  
LOANS NEED DETERMINATION THEY ARE IN UK NATIONAL  
INTEREST. SUCH A DECISION WILL BE HARD TO COME BY AND  
WILL INCLUDE PROOF OF SECURITY OF REPAYMENT AND  
POSSIBLY DEPRESSED UK INDUSTRY. ECGD, SPECIFICALLY, HAS  
DECLINED TO EXTEND ITS OFFER TO FINANCE ARZEW II GAS  
PROJECT.PARKER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATURAL GAS, VISITS, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975ALGIER01229  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750181-1213  
**From:** ALGIERS  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 ALGIERS 1214, 75 ALGIERS 0998  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
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**Subject:** SONATRACH VISIT TO EXIM - GAS PROJECTS  
**TAGS:** EFIN, AG, XMB  
**To:** STATE  
**Type:** TE  
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